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## 1995 ASSEMBLY BILL 1047

March 18, 1996 – Introduced by Representatives Foti, Lehman, Vrakas, Urban and Bell, cosponsored by Senators Weeden, Farrow, Fitzgerald, Grobschmidt and Wineke. Referred to Joint survey committee on Tax Exemptions.

AN ACT to amend 70.11 (intro.); and to create 70.109 and 74.35 (2m) of the statutes; relating to: codifying a presumption that property is taxable, requiring applications for property tax exemptions and specifying that claims that property is exempt may be made only as claims against a taxation district.

## Analysis by the Legislative Reference Bureau

Under this bill property is presumed to be taxable (which codifies case law), property is exempt only if the owner applies for an exemption and challenges to the taxability of property may be made only as claims against a taxation district.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**Section 1.** 70.109 of the statutes is created to read:

- **70.109 Presumption of taxability.** Exemptions under this chapter shall be strictly construed in every instance with a presumption that the property in question is taxable, and the burden of proof is on the person who claims the exemption.
  - **Section 2.** 70.11 (intro.) of the statutes is amended to read:

70.11 Property exempted from taxation. (intro.) The property described in this section is exempted from general property taxes if the owner, on or before March 1 of the year for which a new exemption is requested, files with the assessor of the taxation district where the property is located a form prescribed by the department of revenue and, within 90 days after any change in the reported data pertinent to the exemption, files a revised report. Leasing a part of the property described in this section does not render it taxable if the lessor uses all of the leasehold income for maintenance of the leased property, construction debt retirement of the leased property or both and if the lessee would be exempt from taxation under this chapter if it owned the property. Any lessor who claims that leased property is exempt from taxation under this chapter shall, upon request by the tax assessor, provide records relating to the lessor's use of the income from the leased property. Property exempted from general property taxes is:

**Section 3.** 74.35 (2m) of the statutes is created to read:

74.35 **(2m)** EXCLUSIVE PROCEDURE. A claim that property is exempt may be made only in an action under this section. Such a claim may not be made by means of an action under s. 74.33 or an action for a declaratory judgment.

## SECTION 4. Initial applicability.

(1) This act first applies to the assessment as of January 1, 1997.

(END)